UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re

WESCO AIRCRAFT HOLDINGS, INC., et al.,¹

Debtors.

WESCO AIRCRAFT HOLDINGS, INC., et al.,

Plaintiffs,

v.

SSD INVESTMENTS, LTD., et al.,

Defendants.

SSD INVESTMENTS LTD., et al.,

Counterclaim Plaintiffs,

v.

WESCO AIRCRAFT HOLDINGS, INC., et al.,

Counterclaim Defendants.

DEBTORS' MOTION FOR ENTRY OF AN ORDER AUTHORIZING THE DEBTORS TO FILE UNDER SEAL THE DEBTORS' THE EXHIBITS FOR JUNE 3, 2024 TRIAL

If you object to the relief requested, you must respond in writing. Unless otherwise directed by the Court, you must file your response electronically at <u>https://ecf.txsb.uscourts.gov/</u> within twenty-one days from the date this motion was filed. If you do not have electronic filing privileges, you must file a written objection that is actually received by the clerk within twenty-one days from the date this motion was filed. Otherwise,

Case No. 23-90611 (MI)

Chapter 11

(Jointly Administered)

Adv. Pro. No. 23-03091 (MI)



¹ The Debtors operate under the trade name Incora and have previously used the trade names Wesco, Pattonair, Haas, and Adams Aviation. A complete list of the Debtors in these chapter 11 cases, with each one's federal tax identification number and the address of its principal office, is available on the website of the Debtors' noticing agent at <u>http://www.kccllc.net/Incora/</u>. The service address for each of the Debtors in these cases is 2601 Meacham Blvd., Ste. 400, Fort Worth, TX 76137.

the Court may treat the pleading as unopposed and grant the relief requested.

Wesco Aircraft Holdings, Inc., *et al.*, along with its debtor affiliates, as debtors-inpossession and plaintiffs (collectively, the "*Debtors*"), respectfully submit this Motion to Seal (the "*Motion*") and state as follows:

I. JURISDICTION & VENUE

 This Court has jurisdiction over the Motion pursuant to 28 U.S.C. § 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

II. SUMMARY

2. The Debtors seek an order authorizing the sealing of the *Debtors' Witness and Exhibit List for June 3, 2024, Trial (*the "*Exhibit List*") (ECF No. 1298) and directing that the exhibits remain under seal and not be made publicly available.

III. BACKGROUND

3. On June 1, 2023, the Debtors filed for relief under chapter 11.

4. On June 1, 2023, the Debtors initiated this Adversary Proceeding (ECF. No. 1).

5. On July 9, 2023, the Debtors filed their *First Amended Complaint and Counterclaim Answer* (ECF No. 63).²

6. On July 31, 2023, the Parties (as defined in the Scheduling Order) to this Adversary Proceeding, including the Debtors, the Non-Debtor Counterclaim Defendants, the Defendants, the Counterclaim Plaintiffs (other than Defendants), and the Official Committee of Unsecured

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed in Debtors' First Amended Complaint, ECF No. 63 (the "*Debtors' First Amended Complaint*"), as applicable. Unless otherwise indicated, citations to the electronic case filing docket, ECF, are to the docket of this Adversary Proceeding.

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Creditors (the "*UCC*") entered into the *Stipulated Comprehensive Scheduling Order* ("*Scheduling Order*") (ECF No. 141). Under the Scheduling Order, the Parties were permitted to file motions for summary judgment (including for partial summary judgment) not later than August 23, 2023. (ECF No. 141 at 10).

7. On July 31, 2023, the Formerly Secured Noteholders filed their *First Amended Counterclaims* (the "*Formerly Secured Noteholders' Counterclaims*") (ECF No. 144), in which the Formerly Secured Noteholders asserted various claims for declaratory judgment against the Debtors and the Non-Debtor Counterclaim Defendants.

8. On July 31, 2023, Langur Maize filed its Crossclaims, Third-Party Claims, and Counterclaim (the "*Langur Maize Counterclaims*") (ECF No. 142), in which Langur Maize asserted various claims against the Debtors and the Non-Debtor Counterclaim Defendants.

9. On August 2, 2023, all Parties, except the UCC, filed answers to the operative complaints, which asserted claims against them. (*See* ECF Nos. 155, 156, 157, 161, 163, 164, 166, 167, 171, 174, 175, 177, 178, 181, 182).

10. Pursuant to the Scheduling Order, on August 23, 2023, the Debtors filed their Motion for Summary Judgment, seeking judgment on the claims asserted in the Debtors' Amended Complaint, the Formerly Secured Noteholders' Counterclaims, and the Langur Maize Counterclaims (the "*Debtors' Summary Judgment Motion*") (ECF No. 199).

11. On September 9, 2023, the Court entered the Stipulated Protective Order (Main Case ECF No. 724) (the "*Protective Order*"), which governs the exchange and disclosure of

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"Confidential Information" or "Highly Confidential – Professionals' Eyes Only Information," as defined therein, in these chapter 11 cases.³

IV. BASIS FOR RELIEF

12. Pursuant to section 107(b) of the Bankruptcy Code, the Court is authorized to issue orders to protect entities with respect to certain confidential information. *See* 11 U.S.C. § 107(b). Additionally, section 105(a) of the Bankruptcy Code, which codifies the Bankruptcy Court's inherent equitable powers, empowers the Court to "issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a).

13. Bankruptcy Rule 9018 implements section 107(b) of the Bankruptcy Code and provides in pertinent part: "On motion or on its own initiative, with or without notice, the court may make any order which justice requires (1) to protect the estate or any entity in respect of a trade secret or other confidential research, development, or commercial information" Fed. R. Bankr. P. 9018.

14. There is a strong presumption in favor of public access to court records. *See Nixonv. Warner Commc 'ns, Inc.*, 435 U.S. 589, 598, 602 (1978).

15. However, sections 105(a) and 107(b) of the Bankruptcy Code and Bankruptcy Rule 9018 authorize this Court to limit public access under certain circumstances. *Accord Jones v. RealPage, Inc.*, 2021 WL 268824, at *2 (N.D. Tex. Jan. 27, 2021) (quoting *Rodriguez v. United Rentals (N. Am.), Inc.*, 2018 WL 4184321, at *1 (S.D. Miss. Aug. 31, 2018)) ("Federal courts routinely limit the public's access to commercially sensitive and proprietary information.").

³ The parties to this Adversary Proceeding executed and filed the Protective Order on July 31, 2023. (*See* Main Case ECF No. 499).

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16. The Protective Order requires that all documents filed with the Court containing "Confidential Information" or "Highly Confidential – Professionals' Eyes Only Information" "be redacted" or "filed under seal." (Main Case ECF No. 724 at 7-8).

17. Because the exhibits rely on information that has been designated as "Confidential Information" or "Highly Confidential – Professionals' Eyes Only Information" pursuant to the terms of the Protective Order, the Protective Order requires the filing of the Debtors' exhibits under seal. Accordingly, the Debtors seek an order authorizing the filing of the exhibits under seal.

18. An unredacted version of the Exhibit List is filed on the docket for public viewing (*See* ECF No. 1299). The Debtors will furnish unredacted copies of the exhibits to the Court and the parties to this Adversary Proceeding.

V. CONCLUSION

WHEREFORE, the Debtors respectfully requests that this Court enter an order that: (a) grants the Motion; and (b) grants all other relief that this Court deems just and proper.

Respectfully submitted this 30th day of May, 2024.

QUINN EMANUEL URQUHART & SULLIVAN, LLP

By: /s/ Christopher D. Porter

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-and-

Susheel Kirpalani (pro hac vice) Victor Noskov (pro hac vice) Zachary Russell (pro hac vice) Anna Deknatel (*pro hac vice*) Ari Roytenberg (pro hac vice) Kenneth Hershey (*pro hac vice*) 51 Madison Ave., 22nd Fl. New York, New York 10010 Tel.: 212-849-7000 Email: susheelkirpalani@quinnemanuel.com victornoskov@quinnemanuel.com zacharyrussell@quinnemanuel.com annadeknatel@quinnemanuel.com ariroytenberg@quinnemanuel.com kenhershey@quinnemanuel.com

Special Litigation and Conflicts Counsel to the Debtors and Debtors in Possession

CERTIFICATE OF SERVICE

I hereby certify that on May 30, 2024, a copy of the foregoing Motion to Seal was served through the Court's CM/ECF notification system to all parties who have appeared in this case through counsel or who have submitted a request for service by CM/ECF.

/s/ Christopher D. Porter

Christopher D. Porter

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

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Adv. Pro. No. 23-03091 (MI)

ORDER GRANTING THE DEBTORS' MOTION FOR ENTRY OF AN ORDER AUTHORIZING THE DEBTORS TO FILE UNDER SEAL THE EXHIBITS FOR JUNE 3, 2024 TRIAL

(Relates to ECF No.____)

Upon consideration of the Debtors' Motion to Seal (the "Motion"), the Court having

jurisdiction to consider this matter and relief requested therein pursuant to 28 U.S.C. § 1334;

consideration of this Motion being a core proceeding pursuant to 28 U.S.C. § 157; notice of the

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Motion having been adequate and appropriate under the circumstances; and after due deliberation and sufficient cause appearing; it is hereby:

1. ORDERED that the Debtors are authorized to file under seal an unredacted version of the *Debtors' Witness and Exhibit List for June 3, 2024, Trial* (ECF No. 1298); it is further

2. ORDERED that the Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion; it is further

3. ORDERED that the Court retains jurisdiction with respect to all matters arising from or related to the implementation of this order.

SIGNED:

MARVIN ISGUR UNITED STATES BANKRUPTCY JUDGE